



**2023/0303(NLE)**

30.11.2023

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## **DRAFT RECOMMENDATION**

on the draft Council decision on the conclusion, on behalf of the Union, of the Agreement in the form of an Exchange of Letters between the European Union and the Argentine Republic amending the Agreement in the form of an Exchange of Letters between the European Union and the Argentine Republic pursuant to Article XXVIII of the General Agreement on Tariffs and Trade (GATT) 1994 relating to the modification of concessions on all the tariff-rate quotas included in the EU Schedule CLXXV as a consequence of the United Kingdom's withdrawal from the European Union (12377/2023 – C9-0000/2023 – 2023/0303(NLE))

Committee on International Trade

Rapporteur: Jordi Cañas

***Symbols for procedures***

- \* Consultation procedure
- \*\*\* Consent procedure
- \*\*\*I Ordinary legislative procedure (first reading)
- \*\*\*II Ordinary legislative procedure (second reading)
- \*\*\*III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

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## DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

**on the draft Council decision on the conclusion, on behalf of the Union, of the Agreement in the form of an Exchange of Letters between the European Union and the Argentine Republic amending the Agreement in the form of an Exchange of Letters between the European Union and the Argentine Republic pursuant to Article XXVIII of the General Agreement on Tariffs and Trade (GATT) 1994 relating to the modification of concessions on all the tariff-rate quotas included in the EU Schedule CLXXV as a consequence of the United Kingdom's withdrawal from the European Union (12377/2023 – C9-0000/2023 – 2023/0303(NLE))**

**(Consent)**

*The European Parliament,*

- having regard to the draft Council decision (12377/2023),
  - having regard to draft Agreement in the form of an exchange of Letters between the European Union and the Argentine Republic amending the Agreement in the form of an Exchange of Letters between the European Union and the Argentine Republic pursuant to Article XXVIII of the General Agreement on Tariffs and Trade (GATT) 1994 relating to the modification of concessions on all the tariff-rate quotas included in the EU Schedule CLXXV as a consequence of the United Kingdom's withdrawal from the European Union (12379/2023),
  - having regard to the request for consent submitted by the Council in accordance with Article 207(4), first subparagraph and Article 218(6), second subparagraph, point (a)(v), of the Treaty on the Functioning of the European Union (C9-0000/2023),
  - having regard to Rule 105(1) and (4), and Rule 114(7) of its Rules of Procedure,
  - having regard to the opinion of the Committee on Agriculture and Rural Development,
  - having regard to the recommendation of the Committee on International Trade (A9-0000/2023),
1. Gives its consent to the conclusion of the agreement;
  2. Instructs its President to forward its position to the Council, the Commission and the governments and parliaments of the Member States and of the Argentine Republic.

## EXPLANATORY STATEMENT

In October 2018, the EU formally launched the negotiations process under Article XXVIII of the General Agreement on Tariffs and Trade (GATT) 1994 with a number of WTO Members. The underlying principle of the negotiations is a “joint approach” developed between the EU and the UK back in 2017 on how to “apportion” the quantitative commitments contained in the EU28 WTO schedule for the 143 EU agricultural, fish and industrial WTO tariff-rate quotas (TRQs). The basis of this approach is that the existing volume of each TRQ would be fully maintained in the future, but split across two separate customs territories: the EU27 and the UK.

The principle of the applied methodology is based on the trade flows into the EU27 and the UK during a representative reference period (of 3 years from 2013 to 2015) for all WTO TRQs. The agreed methodology of the apportionment is described in detail in Regulation (EU) 2019/216 of the European Parliament and of the Council. More specifically, Article 2(b) of this Regulation empowers the Commission to amend the apportionment shares taking into account pertinent information that it may receive either in the context of negotiations under Article XXVIII of GATT 1994 or from other sources with an interest in a specific tariff-rate quota.

The negotiations between EU and Argentina resulted in the signature of the relevant Agreement on 10 May 2021. The Agreement entered into force on 13 July 2021. The Agreement provides that the EU should inform Argentina in the case the result of the negotiations between the EU and other WTO Members with rights under Article XXVIII would change the shares agreed in their bilateral negotiations.

As a result of negotiations with other WTO Members, the EU has agreed to change the shares of two TRQ for which Argentina has negotiating rights, therefore the original agreement with Argentina needs to be amended in the relation to the EU27 volume for the following TRQs. The EU27 share of an erga omnes TRQ on skimmed-milk powder has been revised to 62 917 tonnes to avoid a non-commercially viable volume on UK side. The EU27 share of an erga omnes TRQ on fruit juices has been revised to 6 551 tonnes, taking into account trade in reference periods 2015-2017 and 2016-2018. The relevant Regulation (EU) 2019/216 of the European Parliament and Council and Commission Implementing Regulation (EU) 2020/1988 will be amended to reflect these amended TRQ volumes.

In accordance with Article 218(6) TFEU, the consent of the European Parliament is needed in order for the Council to adopt a decision concluding the Agreement and for the latter to come into force in due time.

In the light of the above, the Rapporteur recommends that the Parliament give its consent to the conclusion of the Agreement, without prejudice to its democratic right of continuous scrutiny.

**ANNEX: ENTITIES OR PERSONS  
FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT**

Pursuant to Article 8 of Annex I to the Rules of Procedure, the rapporteur declares that he has received input from the following entities or persons in the preparation of the draft report:

<b>Entity and/or person</b>
Administrators of the Unit G1 for Global Issues, WTO and relations with ACP Countries, DG AGRI, Commission

The list above is drawn up under the exclusive responsibility of the rapporteur.